

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By \_\_\_\_\_

1 AMEND House Committee Substitute for Senate Bill No. 112, Page 20, Section 135.680, Line 355,  
2 by inserting after all of said section the following:

3 "135.750. 1. As used in this section, the following terms mean:

4 (1) "Highly compensated individual", any individual who receives compensation in excess of  
5 one million dollars in connection with a single qualified film production project;

6 (2) "Qualified film production project", any film, video, commercial, or television  
7 production, as approved by the department of economic development and the office of the Missouri  
8 film commission, that is under thirty minutes in length with an expected in-state expenditure budget  
9 in excess of fifty thousand dollars, or that is over thirty minutes in length with an expected in-state  
10 expenditure budget in excess of one hundred thousand dollars. Regardless of the production costs,  
11 "qualified film production project" shall not include any:

12 (a) News or current events programming;

13 (b) Talk show;

14 (c) Production produced primarily for industrial, corporate, or institutional purposes, and for  
15 internal use;

16 (d) Sports event or sports program;

17 (e) Gala presentation or awards show;

18 (f) Infomercial or any production that directly solicits funds;

19 (g) Political ad;

20 (h) Production that is considered obscene, as defined in section 573.010; (3) "Qualifying  
21 expenses", the sum of the total amount spent in this state for the following by a production company  
22 in connection with a qualified film production project:

23 (a) Goods and services leased or purchased by the production company. For goods with a  
24 purchase price of twenty-five thousand dollars or more, the amount included in qualifying expenses  
25 shall be the purchase price less the fair market value of the goods at the time the production is  
26 completed;

27 (b) Compensation and wages paid by the production company on which the production  
28 company remitted withholding payments to the department of revenue under chapter 143. For  
29 purposes of this section, compensation and wages shall not include any amounts paid to a highly  
30 compensated individual;

31 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
32 withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 148;

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

1           (5) "Taxpayer", any individual, partnership, or corporation as described in section 143.441,  
2 143.471, or section 148.370 that is subject to the tax imposed in chapter 143, excluding withholding  
3 tax imposed by sections 143.191 to 143.265, or the tax imposed in chapter 148 or any charitable  
4 organization which is exempt from federal income tax and whose Missouri unrelated business  
5 taxable income, if any, would be subject to the state income tax imposed under chapter 143.

6           2. For all taxable years beginning on or after January 1, 1999, but ending on or before  
7 December 31, 2007, a taxpayer shall be granted a tax credit for up to fifty percent of the amount of  
8 investment in production or production-related activities in any film production project with an  
9 expected in-state expenditure budget in excess of three hundred thousand dollars. For all taxable  
10 years beginning on or after January 1, 2008, a taxpayer shall be allowed a tax credit for up to  
11 thirty-five percent of the amount of qualifying expenses in a qualified film production project. Each  
12 film production company shall be limited to one qualified film production project per year.  
13 Activities qualifying a taxpayer for the tax credit pursuant to this subsection shall be approved by the  
14 office of the Missouri film commission and the department of economic development.

15           3. Taxpayers shall apply for the film production tax credit by submitting an application to the  
16 department of economic development, on a form provided by the department. As part of the  
17 application, the expected in-state expenditures of the qualified film production project shall be  
18 documented. In addition, the application shall include an economic impact statement, showing the  
19 economic impact from the activities of the film production project. Such economic impact statement  
20 shall indicate the impact on the region of the state in which the film production or production-related  
21 activities are located and on the state as a whole.

22           4. For all taxable years ending on or before December 31, 2007, tax credits certified pursuant  
23 to subsection 2 of this section shall not exceed one million dollars per taxpayer per year, and shall  
24 not exceed a total for all tax credits certified of one million five hundred thousand dollars per year.  
25 For all taxable years beginning on or after January 1, 2008, but ending on or before December 31,  
26 2013, tax credits certified under subsection 1 of this section shall not exceed a total for all tax credits  
27 certified of four million five hundred thousand dollars per year. For all taxable years beginning on  
28 or after January 1, 2014, the total amount of tax credits authorized under subsection 1 of this section  
29 shall not exceed two million dollars annually. Taxpayers may carry forward unused credits for up to  
30 five tax periods, provided all such credits shall be claimed within ten tax periods following the tax  
31 period in which the film production or production-related activities for which the credits are certified  
32 by the department occurred.

33           5. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,  
34 exchange, convey or otherwise transfer tax credits allowed in subsection 2 of this section. The  
35 taxpayer acquiring the tax credits may use the acquired credits to offset the tax liabilities otherwise  
36 imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or  
37 chapter 148. Unused acquired credits may be carried forward for up to five tax periods, provided all  
38 such credits shall be claimed within ten tax periods following the tax period in which the film  
39 production or production-related activities for which the credits are certified by the department  
40 occurred.

41           6. Under section 23.253 of the Missouri sunset act:

1           (1) The provisions of the new program authorized under this section shall automatically  
2 sunset [six years after November] August 28, [2007] 2016, unless reauthorized by an act of the  
3 general assembly; and

4           (2) If such program is reauthorized, the program authorized under this section shall  
5 [automatically sunset twelve years after the effective date of the reauthorization of this section; and

6           (3) This section shall terminate on September first of the calendar year immediately  
7 following the calendar year in which the program authorized under this section is sunset."; and

8  
9 Further amend said bill by amending the title, enacting clause, and intersectional references  
10 accordingly.